

Commonwealth of Kentucky Personnel Cabinet

Prepared for:
Kentucky Group Health Insurance Board Members

October 2006

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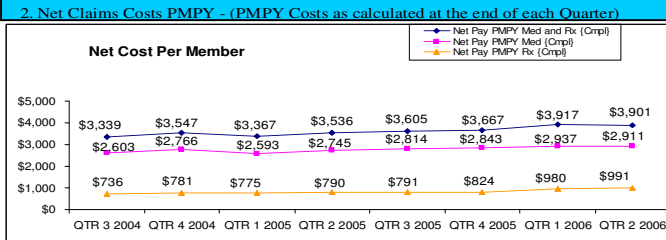
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Dashboard Report

Based on Incurred Claims

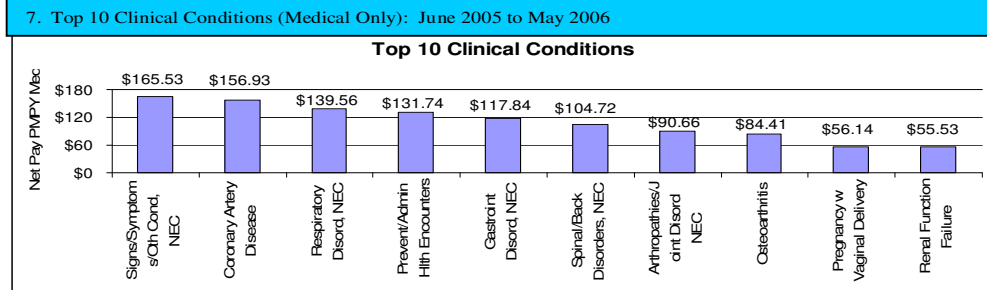
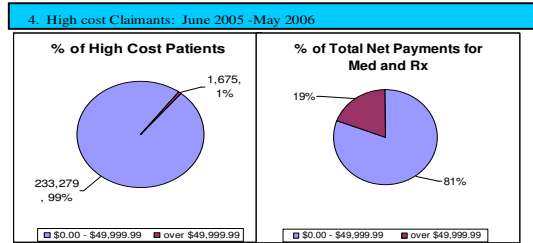
Includes projections for Incurred by not yet reported claims (IBNR or CMPL)

1. Enrollment			
Fact	Jun 2005 - May 2006	Jun 2004 - May 2005	% Change
Employees Avg Med	145,401	143,726	1.20%
Members Avg Med	232,283	228,228	1.80%
Family Size Avg	1.6	1.6	0.60%
Member Age Avg	37.1	37.0	0.20%



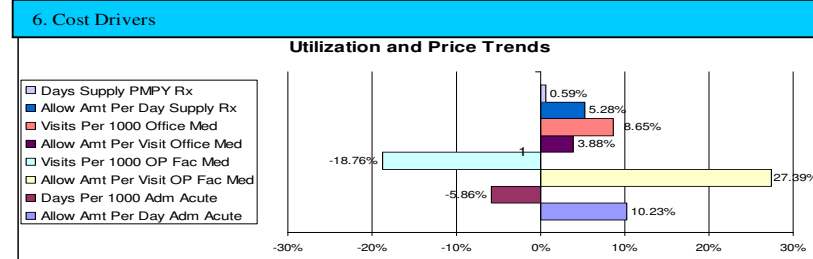
3. Allowed Claims Costs PMPY with Norms					
	Jun 2004 - May 2005	Jun 2005 - May 2006	Trend	Recent US Norm	Comp to Norm
Allow Amt PMPY Med (Cmpl)	\$3,003.42	\$3,254.50	8%	\$3,370.00	-3.55%
Allow Amt PMPY IP Acute (Cmpl)	\$889.09	\$941.76	6%	N/A	N/A
Allow Amt PMPY OP Med (Cmpl)	\$2,083.13	\$2,296.84	10%	\$2,172.93	5.39%
Allow Amt PMPY OP Fac Med (Cmpl)	\$968.82	\$1,002.61	3%	N/A	N/A
Allow Amt PMPY Office Med (Cmpl)	\$728.68	\$822.47	13%	\$0.00	N/A
Allow Amt PMPY OP Lab (Cmpl)	\$139.34	\$164.83	18%	\$0.00	N/A
Allow Amt PMPY OP Rad (Cmpl)	\$275.46	\$344.00	25%	\$0.00	N/A
Out of Pocket PMPY Med (Cmpl)	\$289.27	\$310.44	7%	\$525.56	-69.30%
Allow Amt PMPY Rx (Cmpl)	\$1,056.96	\$1,119.34	6%	\$895.23	20.02%
Out of Pocket PMPY Rx (Cmpl)	\$281.51	\$241.61	-14%	\$0.00	N/A

Above Norm
Below Norm



5. Prescription Drug Programs				
	Fact	Jun 2004 - May 2005	Jun 2005 - May 2006	% Change
Mail Order	Discount Off AWP % Rx	28.32%	29.50%	4.15%
	Scripts Generic Efficiency Rx	84.50%	88.41%	4.63%
Retail	Discount Off AWP % Rx	25.29%	29.93%	18.33%
	Scripts Generic Efficiency Rx	89.75%	92.66%	3.25%
Total	Discount Off AWP % Rx	25.66%	29.87%	16.42%
	Scripts Generic Efficiency Rx	89.52%	92.49%	3.32%
	Scripts Maint Rx % Mail Order	6.29%	6.36%	1.10%

6.b. Cost Driver Support Table				
Fact	Jun 2004 - May 2005	Jun 2005 - May 2006	% Change	
Allow Amt Per Day Adm Acute	\$2,577.13	\$2,840.85	10.23%	
Days Per 1000 Adm Acute	342.67	322.60	-5.86%	
Allow Amt Per Visit OP Fac Med	\$524.55	\$668.22	27.39%	
Visits Per 1000 OP Fac Med	1,846.97	1,500.42	-18.76%	
Allow Amt Per Visit Office Med	\$102.11	\$106.07	3.88%	
Visits Per 1000 Office Med	7,136.48	7,753.90	8.65%	
Allow Amt Per Day Supply Rx	\$2.10	\$2.21	5.28%	
Days Supply PMPY Rx	504.38	507.36	0.59%	



Introduction

The Department for Employee Insurance (DEI) is pleased to provide an analysis of the Kentucky Employees Health Plan. In response to requests for data analysis this report has been prepared to provide information related to enrollment, claims payment, and utilization.

It is the Department's intent to update this information on a monthly basis in an effort to continue to provide current information about Kentucky's Health Insurance Program.

Overview

This report is compiled using Medstat, which is DEI's health insurance information management system. Medstat warehouses enrollment and claims data. Enrollment data is provided by DEI while claims data is provided by each carrier and/or TPA.

Claims information may be analyzed by either "incurred" or "paid" dates. "Incurred" reports specify paid amounts for claims that were incurred in a specified timeframe. Due to the lag time in submittal and payment of claims, historical reports that are based on incurred claims may change significantly with each new database update since additional incurred claims will be added. "Paid" claims reports specify the paid amount for claims regardless of when the claims may have been incurred. Unless otherwise specified, data contained in this report are based on "incurred" claims.

Enrollment in the KEHP changes on a daily basis due to a variety of reasons such as: new hires, adding dependents, dropping dependents, marriage, divorce, becoming Medicare eligible, etc. Therefore, Medstat is dealing with a fluid enrollment base. Also, each carrier processes claims slightly differently. During 2005 Medstat processed enrollment information for a total of 253,984 members as well as 7,196,140 claims (3,083,368 Medical claims and 4,048,855 prescriptions) from five different carriers. When dealing with such large numbers it is impossible to tag every claim to a corresponding group, carrier, service type, etc. While the tagging rate for the KEHP data exceeds 99%, you may still see information on reports stated as "~Missing". This indicates any enrollment or claims that could not be "tagged" by Medstat.

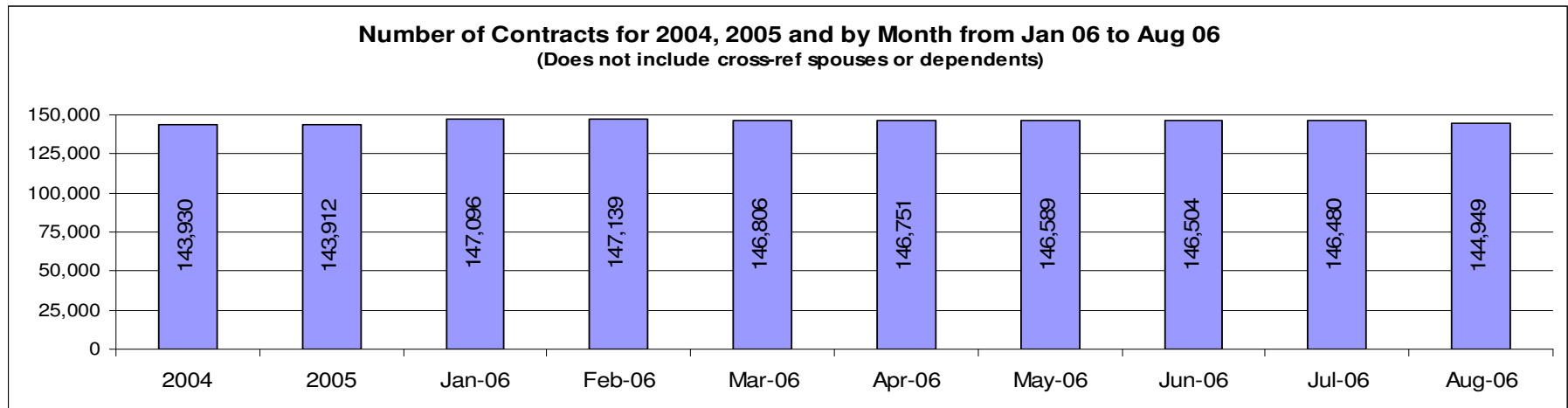
Definitions

DEI utilized the following definitions in preparing reports:

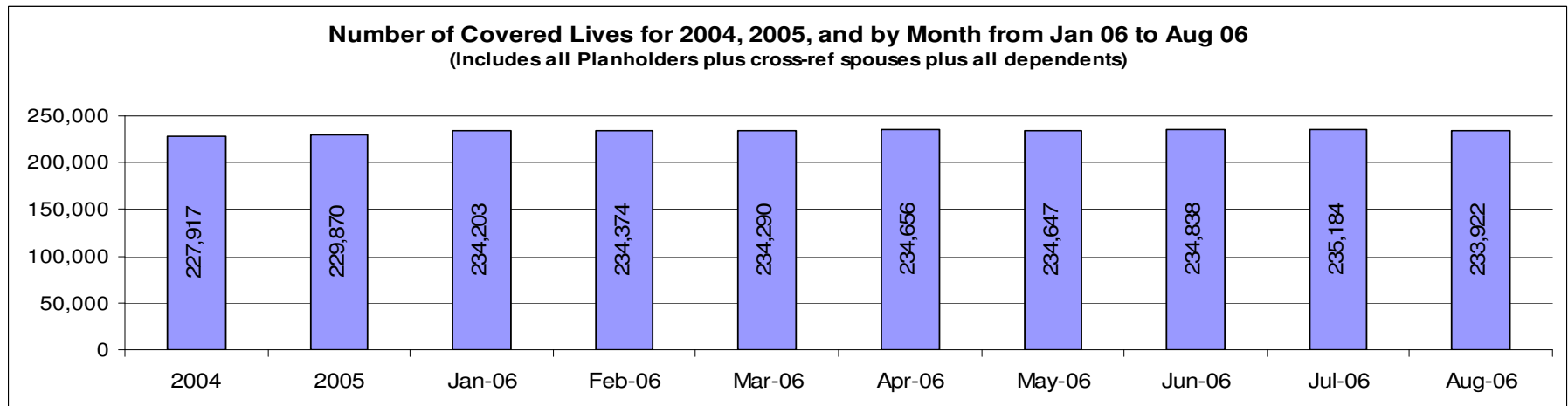
- “Employee” represents an individual eligible to participate in KEHP as a retiree in either KTRS or KRS, or by being employed by one of the agencies that participate with KEHP (example: state employee, school boards, Quasi agency, etc.). Employee may also be referred to as “planholder” or “contracts”. Please note that Medstat deals with Cross-reference plans uniquely. Although there are in fact two “employees” Medstat can only designate the planholder as an employee. Therefore, the cross-referenced spouse is considered a dependent and all claims and utilization data related to them is counted as a “member”.
- “Member” includes all employees plus any dependents that are covered through the KEHP. Members may also be referred to as “covered lives”.
- “Group” is Kentucky Retirement System (KRS), Kentucky Teachers Retirement System (KTRS), State Employees, School Boards, or Other (includes: COBRA, Health Departments, KCTCS, Quasi/Local Governments).
- “Plan” is Commonwealth Essential, Commonwealth Enhanced, Commonwealth Premier, HMO Option A, HMO Option B, POS Option A, POS Option B, PPO Option A, PPO Option B, or EPO Option C.
- “Carrier” may be Aetna, Anthem, Bluegrass Family Health, CHA Health, United Healthcare, or Humana (please note that Express Scripts data is designated as Humana).
- “Generic Efficiency” means the number of prescriptions that are filled with a generic product as a percentage of the total number of prescriptions where a generic is available.
- “OOP” is the amount paid out-of-pocket by the member for facility, professional, and prescription drug services. This generally includes coinsurance, co-payment, and deductible amounts.
- “Allowed Amount” is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.
- “Net Payment” is the net amount paid for all claims. It represents the amount after all pricing guidelines have been applied, and all third party, co-payment, coinsurance, and deductible amounts have been subtracted.
- “Patients” is the unique count of members who received facility, professional, or pharmacy services.
- “Days Supply” is the number of days for which drugs were supplied for prescriptions filled. It represents the number of days of drug therapy covered by a prescription.
- “Mail Order” is computed as any script filled with a “days supply” of more than 30 days, regardless of the physical location where the prescription was filled.
- “Retail” is computed as any script filled with a “days supply” of 30 days or less, regardless of the physical location where the prescription was filled.

Enrollment

The following details planholder enrollment (contracts) for 2004, 2005, and monthly year-to-date for 2006. Enrollment will fluctuate on a monthly basis. (Note: There have been approximately 7,000 cross-referenced spouses in any given month that are not included in the following chart.)



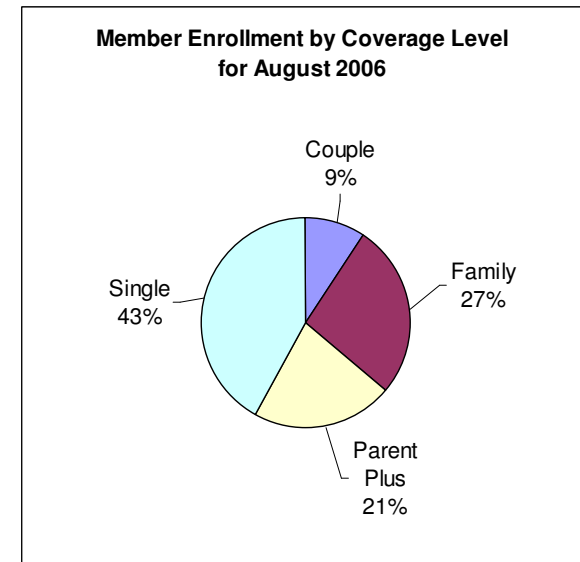
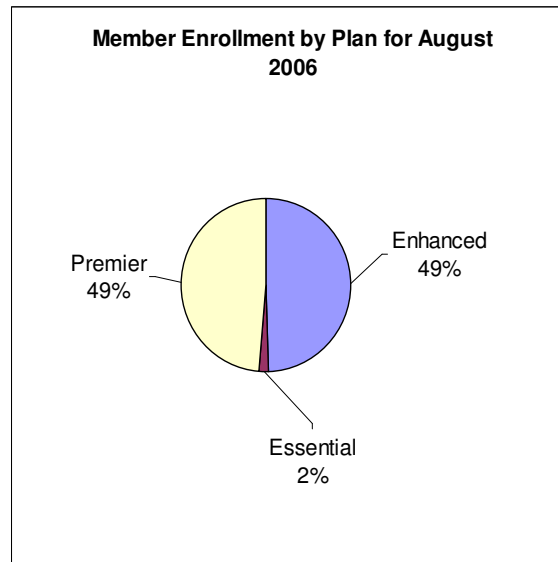
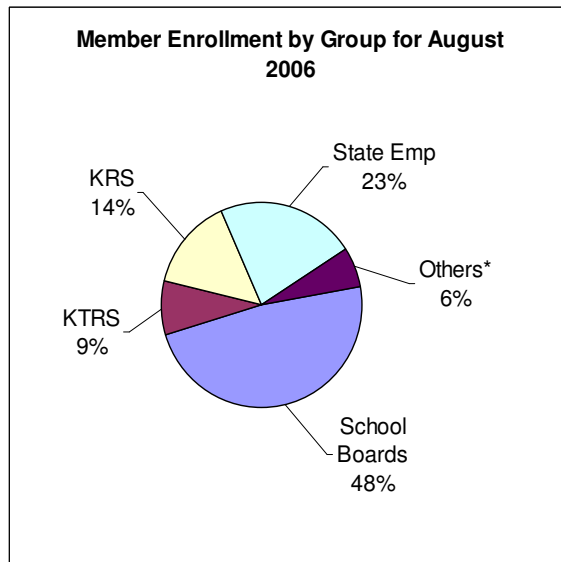
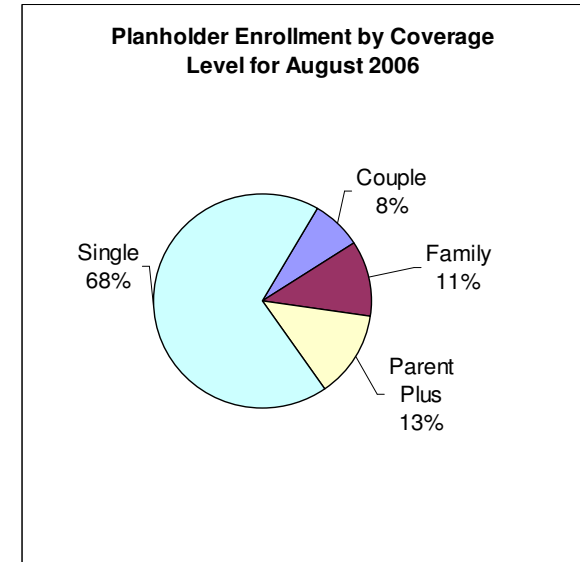
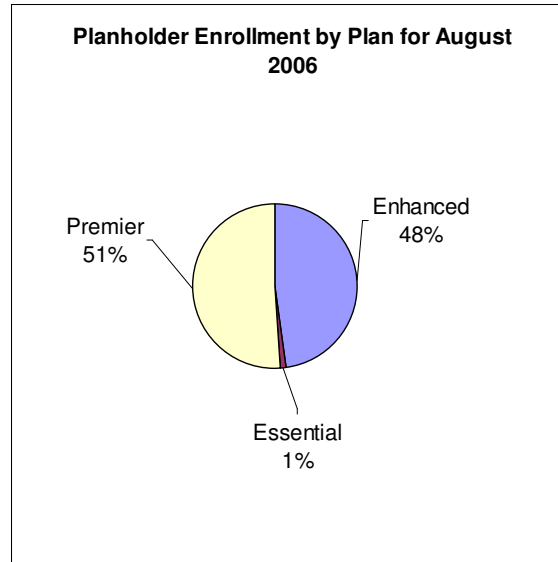
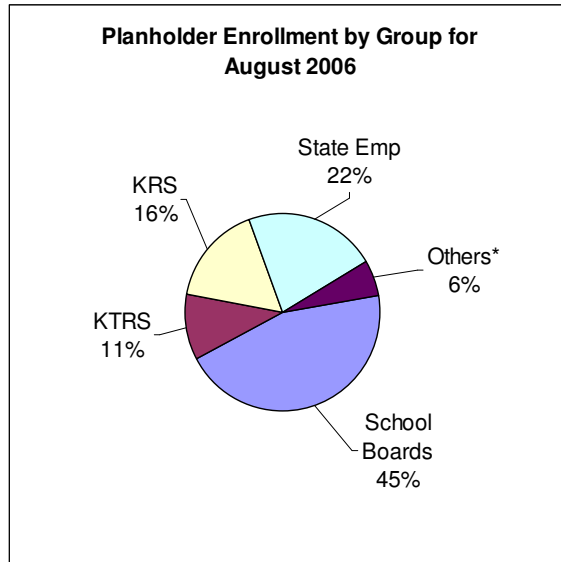
The following details member enrollment (covered lives) for 2004, 2005, and monthly year-to-date for 2006. Enrollment will fluctuate on a monthly basis.



The following shows the number of cross-reference spouses for 2004, 2005, and monthly year-to-date for 2006. Number of Cross-Reference Spouses will fluctuate on a monthly basis.

Time Period	Number of Cross-Reference Spouses
Avg - 2004	5,004
Avg - 2005	7,020
Jan-06	7,075
Feb-06	7,072
Mar-06	7,084
Apr-06	7,104
May-06	7,097
Jun-06	7,111
Jul-06	7,111
Aug-06	7,042

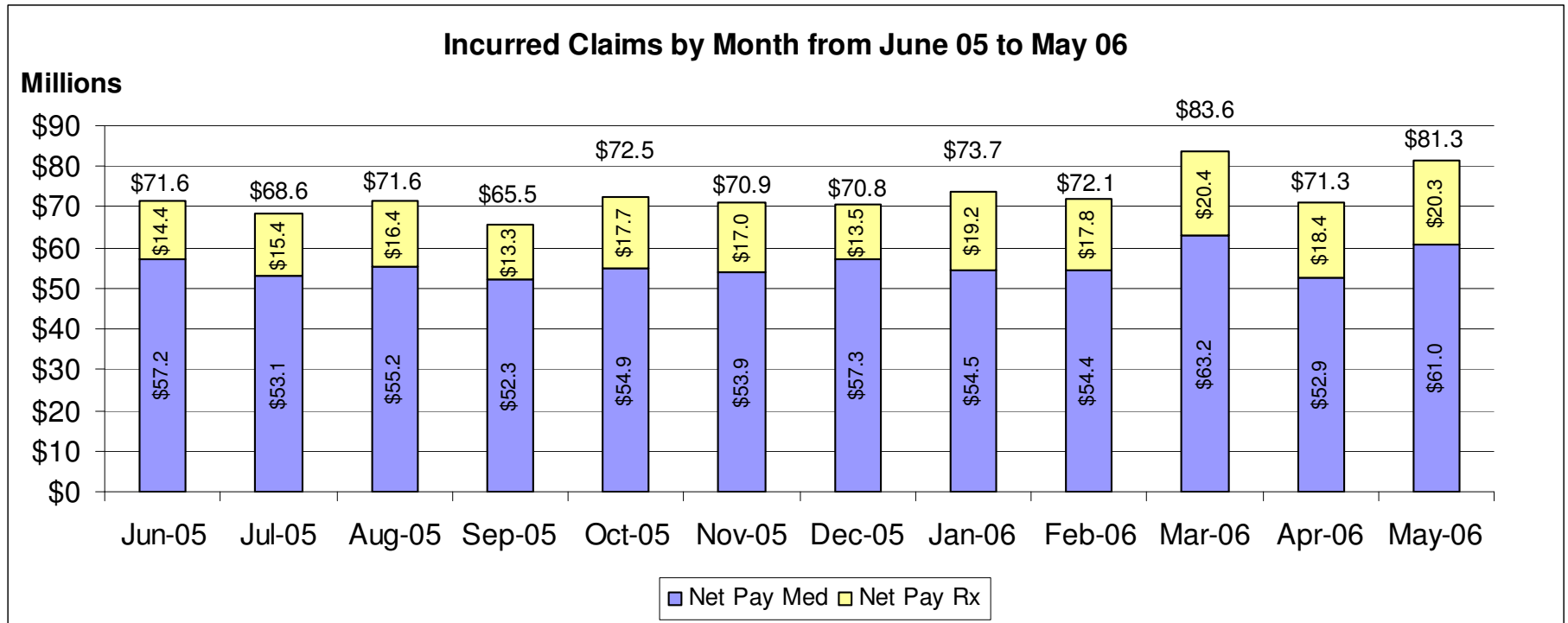
The following displays Planholder and Member enrollment by group, plan, and coverage level.



* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs

Claims costs, including Medical and Prescription (Rx) for the most recent rolling year. Based on Incurred Claims.



NOTE: Includes run out data from all Carriers

The following represents incurred medical claims only (does not include Rx) by Group for 2004, 2005, and monthly year-to-date for 2006.

	School Boards	KTRS	KRS	State Employees	Others*	Totals
2004	\$246,716,050.30	\$70,865,404.26	\$106,233,585.02	\$123,500,170.51	\$43,069,114.22	\$590,384,324.31
2005	\$258,690,546.70	\$80,532,456.86	\$122,198,573.70	\$127,183,750.93	\$43,331,555.92	\$631,936,884.11
Jan-06	\$21,575,349.37	\$7,021,976.23	\$11,439,148.02	\$11,232,652.76	\$3,226,121.36	\$54,495,247.74
Feb-06	\$21,923,205.54	\$6,845,725.12	\$10,870,454.42	\$10,918,424.57	\$3,798,961.21	\$54,356,770.86
Mar-06	\$25,118,801.64	\$8,013,931.37	\$11,956,618.84	\$14,120,636.51	\$3,980,233.06	\$63,190,221.42
Apr-06	\$21,269,151.78	\$6,820,518.09	\$9,775,387.70	\$11,539,651.74	\$3,458,600.37	\$52,863,309.68
May-06	\$24,326,745.42	\$7,895,899.01	\$12,483,230.44	\$12,527,538.32	\$3,734,072.65	\$60,967,485.84

* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

The following represents incurred Rx claims only (does not include medical) by Group for 2004, 2005, and monthly year-to-date for 2006.

	School Boards	KTRS	KRS	State Employees	Others*	Total RX
2004	\$65,554,794.38	\$24,644,840.92	\$34,889,674.56	\$32,606,398.27	\$10,801,244.23	\$168,496,952.36
2005	\$69,950,329.78	\$27,099,852.71	\$39,821,294.15	\$34,356,443.28	\$11,561,326.51	\$182,789,246.43
Jan-06	\$7,463,402.71	\$2,900,965.60	\$4,268,697.87	\$3,550,009.18	\$1,054,295.44	\$19,237,370.80
Feb-06	\$7,091,675.98	\$2,494,782.40	\$3,894,513.67	\$3,313,005.86	\$981,248.62	\$17,775,226.53
Mar-06	\$8,157,853.60	\$2,974,628.20	\$4,375,303.38	\$3,761,386.02	\$1,109,399.71	\$20,378,570.91
Apr-06	\$7,227,565.94	\$2,690,360.34	\$4,091,853.42	\$3,386,092.37	\$1,033,957.17	\$18,429,829.24
May-06	\$7,955,637.84	\$2,991,655.48	\$4,485,698.47	\$3,701,385.60	\$1,177,790.27	\$20,312,167.66

* Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

The following represents incurred medical claims only (does not include Rx) by Plan for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Commonwealth Enhanced	Commonwealth Essential	Commonwealth Premier	HMO*	POS*	PPO*	EPO Option C	Missing*	Total
2004	\$618,382.95	\$103,009.53	\$991,693.67	\$213,254,060.39	\$41,118,178.63	\$325,497,875.63	\$5,548,872.19	\$3,252,251.32	\$590,384,324.31
2005	\$224,014,663.90	\$5,656,728.59	\$399,244,961.41	\$12,938.09	\$3,034.50	\$183,482.08	\$70.00	\$2,821,005.54	\$631,936,884.11
Jan-06	\$19,884,616.01	\$369,291.92	\$34,140,062.97	\$0.00	\$0.00	\$0.00	\$0.00	\$101,276.84	\$54,495,247.74
Feb-06	\$20,227,076.94	\$583,881.17	\$33,252,640.40	\$0.00	\$0.00	\$0.00	\$0.00	\$293,172.35	\$54,356,770.86
Mar-06	\$23,580,813.62	\$371,487.53	\$38,807,106.36	\$0.00	\$0.00	\$0.00	\$0.00	\$430,813.91	\$63,190,221.42
Apr-06	\$19,912,776.26	\$317,228.20	\$32,188,195.81	\$0.00	\$0.00	\$0.00	\$0.00	\$445,109.41	\$52,863,309.68
May-06	\$22,566,898.06	\$436,556.14	\$37,689,313.83	\$0.00	\$0.00	\$0.00	\$0.00	\$274,717.81	\$60,967,485.84

*HMO = HMO Option A plus HMO Option B POS = POS Option A plus POS Option B PPO= PPO Option A plus PPO Option B

*Missing means the claims could not be tagged to a specific plan.

The following represents incurred Rx claims only (does not include medical) by plan for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Commonwealth Enhanced	Commonwealth Essential	Commonwealth Premier	HMO*	POS*	PPO*	EPO Option C	Missing*	Total
2004	\$45,196.37	\$2,358.85	\$74,908.67	\$59,139,093.33	\$13,498,632.66	\$94,806,541.55	\$684,426.29	\$245,794.64	\$168,496,952.36
2005	\$64,861,412.37	\$1,336,701.22	\$116,050,120.88	\$13,027.12	\$3,673.82	\$25,482.51	\$496.21	\$498,332.30	\$182,789,246.43
Jan-06	\$6,873,363.92	\$107,012.83	\$12,213,100.74	\$0.00	\$0.00	\$0.00	\$0.00	\$43,893.31	\$19,237,370.80
Feb-06	\$6,457,633.44	\$96,237.65	\$11,133,742.24	\$0.00	\$0.00	\$0.00	\$0.00	\$87,613.20	\$17,775,226.53
Mar-06	\$7,463,029.98	\$97,424.73	\$12,731,912.11	\$0.00	\$0.00	\$0.00	\$0.00	\$86,204.09	\$20,378,570.91
Apr-06	\$6,588,300.87	\$91,953.49	\$11,663,854.68	\$0.00	\$0.00	\$0.00	\$0.00	\$85,720.20	\$18,429,829.24
May-06	\$7,360,169.04	\$102,656.02	\$12,765,111.52	\$0.00	\$0.00	\$0.00	\$0.00	\$84,231.08	\$20,312,167.66

*HMO = HMO Option A plus HMO Option B POS = POS Option A plus POS Option B PPO= PPO Option A plus PPO Option B

*Missing means the claims could not be tagged to a specific plan.

The following represents incurred medical claims only (does not include Rx) by Carrier for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Anthem	Bluegrass Family Health	CHA Health	Humana	United Healthcare	~Missing*	Total
2004	\$534,700.58	\$224,159,284.90	\$139,739,081.16	\$222,352,699.13	\$346,307.22	\$3,252,251.32	\$590,384,324.31
2005	\$90,347,653.61	\$227,213,310.31	\$118,958,504.68	\$398,050.23	\$192,198,359.74	\$2,821,005.54	\$631,936,884.11
Jan-06	\$6,473.39	\$102,860.92	\$12,337.39	\$54,260,950.84	\$11,348.36	\$101,276.84	\$54,495,247.74
Feb-06	\$0.00	\$0.00	\$0.00	\$54,063,598.51	\$0.00	\$293,172.35	\$54,356,770.86
Mar-06	\$0.00	\$0.00	\$0.00	\$62,759,407.51	\$0.00	\$430,813.91	\$63,190,221.42
Apr-06	\$0.00	\$0.00	\$0.00	\$52,418,200.27	\$0.00	\$445,109.41	\$52,863,309.68
May-06	\$0.00	\$0.00	\$0.00	\$60,692,768.03	\$0.00	\$274,717.81	\$60,967,485.84

*Missing means the claims could not be tagged to a specific Carrier.

The following represents incurred Rx claims only (does not include medical) by Carrier for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Anthem	Bluegrass Family Health	CHA Health	Humana	United Healthcare	~Missing*	Total
2004	\$17,314.23	\$61,324,943.53	\$42,603,314.32	\$64,273,188.92	\$32,396.72	\$245,794.64	\$168,496,952.36
2005	\$28,629,983.78	\$67,495,824.87	\$33,853,694.92	\$39,268.36	\$52,272,142.20	\$498,332.30	\$182,789,246.43
Jan-06	\$9,191.22	\$31,844.64	\$17,396.52	\$19,127,295.15	\$7,749.96	\$43,893.31	\$19,237,370.80
Feb-06	\$0.00	\$0.00	\$0.00	\$17,687,613.33	\$0.00	\$87,613.20	\$17,775,226.53
Mar-06	\$0.00	\$0.00	\$0.00	\$20,292,366.82	\$0.00	\$86,204.09	\$20,378,570.91
Apr-06	\$0.00	\$0.00	\$0.00	\$18,344,109.04	\$0.00	\$85,720.20	\$18,429,829.24
May-06	\$0.00	\$0.00	\$0.00	\$20,227,936.58	\$0.00	\$84,231.08	\$20,312,167.66

*Missing means the claims could not be tagged to a specific Carrier.

The following represents incurred medical claims only (does not include Rx) by Coverage Level for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$79,895,653.10	\$103,792,905.94	\$85,466,775.33	\$317,976,738.62	\$3,252,251.32	\$590,384,324.31
2005	\$87,884,745.89	\$118,519,785.19	\$88,059,946.10	\$334,651,010.00	\$2,821,396.93	\$631,936,884.11
Jan-06	\$7,770,491.39	\$9,927,206.25	\$7,207,460.75	\$29,488,812.51	\$101,276.84	\$54,495,247.74
Feb-06	\$8,067,630.05	\$9,947,951.13	\$6,759,521.57	\$29,288,495.76	\$293,172.35	\$54,356,770.86
Mar-06	\$9,064,604.94	\$11,732,433.81	\$8,001,757.48	\$33,960,611.28	\$430,813.91	\$63,190,221.42
Apr-06	\$7,790,964.35	\$9,781,641.95	\$6,666,856.62	\$28,178,737.35	\$445,109.41	\$52,863,309.68
May-06	\$9,290,409.88	\$10,622,322.29	\$8,164,464.04	\$32,615,571.82	\$274,717.81	\$60,967,485.84

* Unable to tag claims to a specific coverage level.

The following represents incurred Rx claims only (does not include Medical) by Coverage Level for 2004, 2005, and monthly year-to-date for 2006.

Time Period	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$26,000,775.03	\$29,722,962.17	\$19,085,089.20	\$93,442,331.32	\$245,794.64	\$168,496,952.36
2005	\$28,952,480.77	\$34,223,109.64	\$19,141,201.96	\$99,973,820.79	\$498,633.27	\$182,789,246.43
Jan-06	\$3,208,551.41	\$3,473,348.40	\$2,048,093.88	\$10,463,483.80	\$43,893.31	\$19,237,370.80
Feb-06	\$2,879,430.99	\$3,253,212.81	\$1,981,183.31	\$9,573,786.22	\$87,613.20	\$17,775,226.53
Mar-06	\$3,233,524.81	\$3,775,549.26	\$2,255,798.92	\$11,027,493.83	\$86,204.09	\$20,378,570.91
Apr-06	\$3,022,923.11	\$3,307,601.76	\$1,949,853.10	\$10,063,731.07	\$85,720.20	\$18,429,829.24
May-06	\$3,284,425.93	\$3,730,574.90	\$2,105,930.75	\$11,107,005.00	\$84,231.08	\$20,312,167.66

* Unable to tag claims to a specific coverage level.

Medical Claims Utilization

The following is based on medical claims (does not include Rx) incurred in 2006 year to date. (Note: Services are tracked by each service, not by each visit. Therefore if two laboratory services are performed at one visit, it will count as two services.)

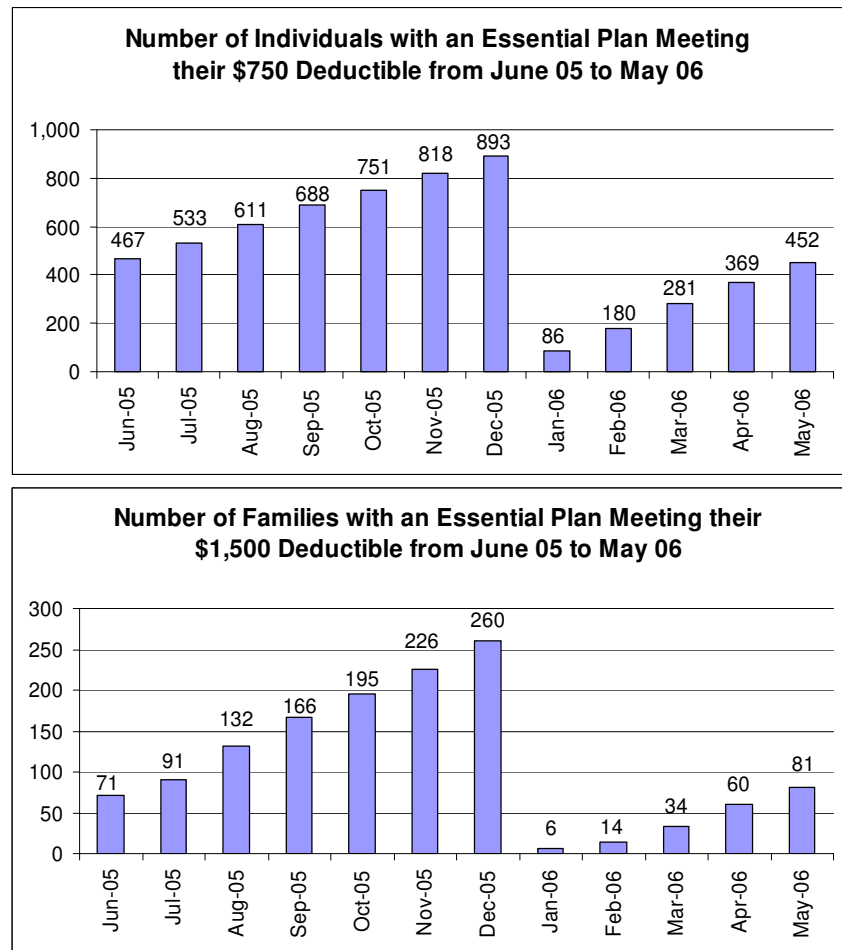
Plans	Number of Hospital Admits per 1000 Members	Average Length of Stay per Admission	Total Admission Days Per 1000 Members	Office Visits per 1000 Members	ER Visits Per 1000 Members	Outpatient Laboratory Services Per 1000 Members	Outpatient Radiology Services Per 1000 Members
Commonwealth Enhanced	68.63	3.78	259.36	7,032.00	196.21	6,272.53	2,281.41
Commonwealth Essential	51.73	4.89	252.79	3,564.64	161.59	3,532.11	1,292.74
Commonwealth Premier	103.58	4.21	435.92	9,273.82	233.24	8,968.65	3,272.16
~Missing		4.18					
All Plans	86.51	4.05	350.19	8,080.97	214.29	7,555.82	2,752.49

*Missing means the claims could not be tagged to a specific plan.

Analysis of Individuals and Families meeting their Deductible

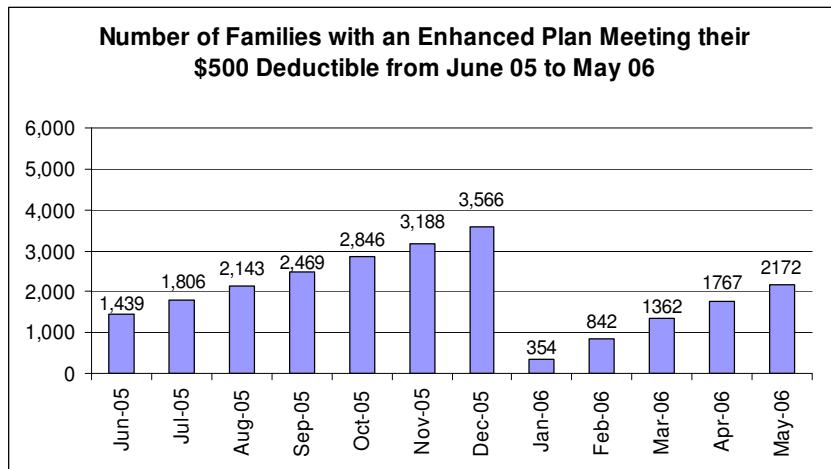
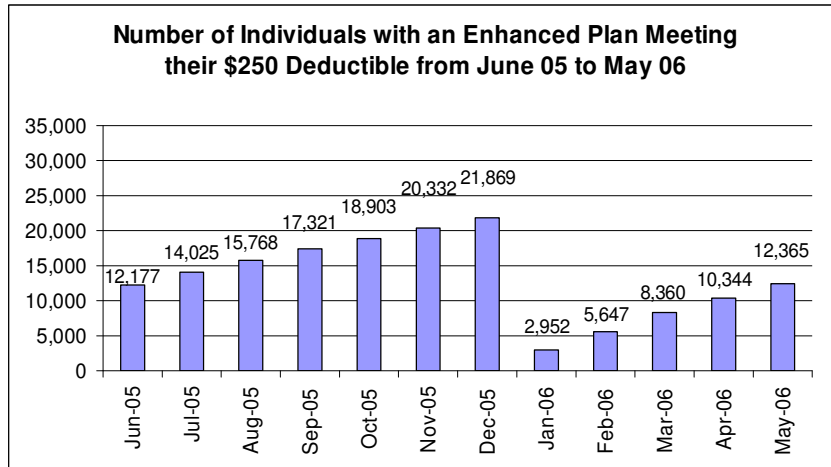
The following details the number of individuals and families by plan, meeting their deductible amounts for the most recent rolling year. The report is based on incurred claims.

Essential

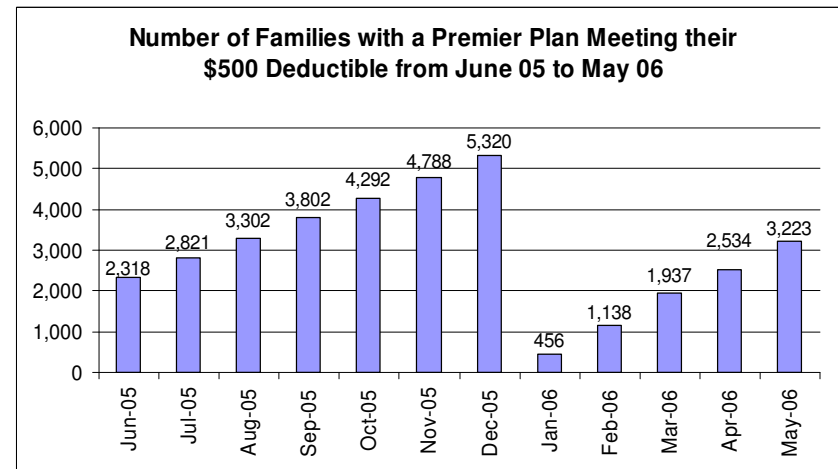
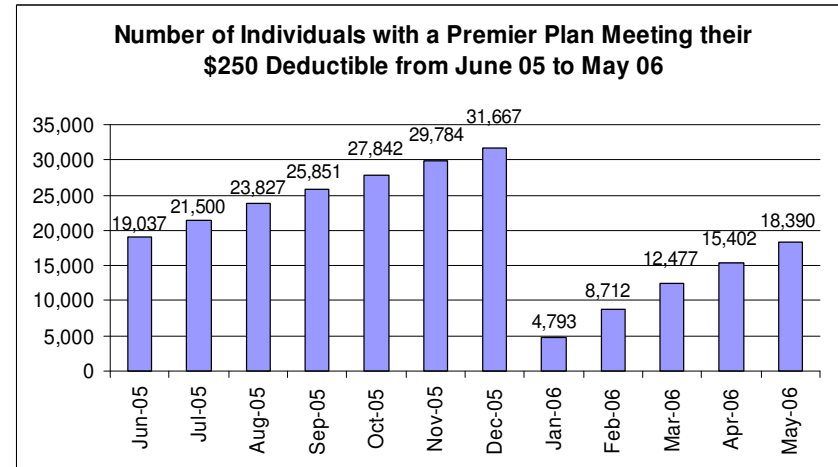


A total of 18.56% of Individuals with an Essential Plan met their deductible while 12.43% of Families met their deductible in 2005.

Enhanced



Premier

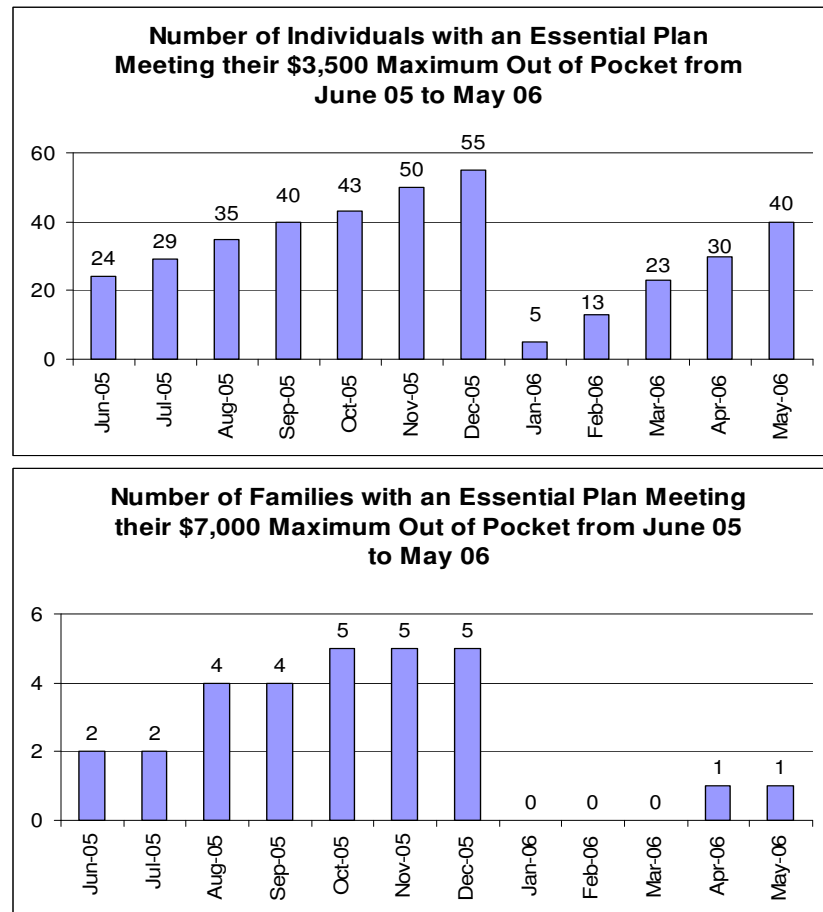


A total of 19.63% of Individuals with an Enhanced Plan met their deductible while 5.13% of Families met their deductible in 2005.
A total of 27.86% of Individuals with a Premier Plan met their deductible while 6.93% of Families met their deductible in 2005.

Analysis of Individuals and Families meeting their Maximum Out of Pocket expenses.

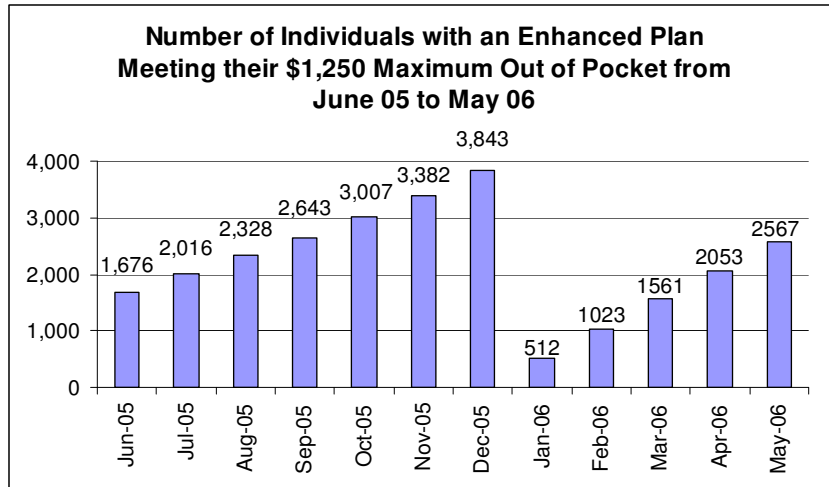
The following details the number of individuals and families by plan, meeting their maximum out of pocket amounts for the most recent rolling year. The report is based on incurred claims.

Essential

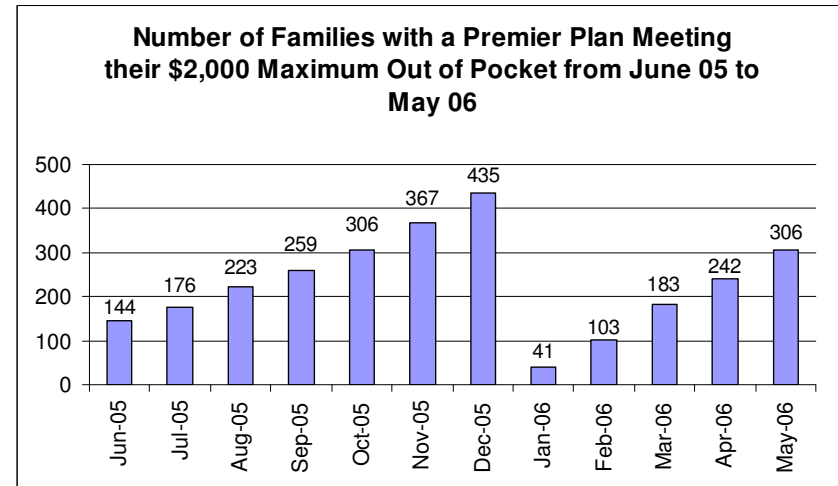
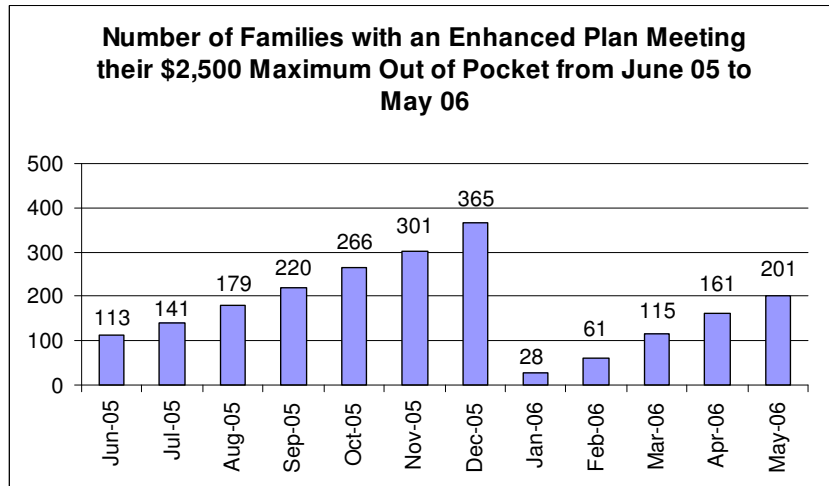
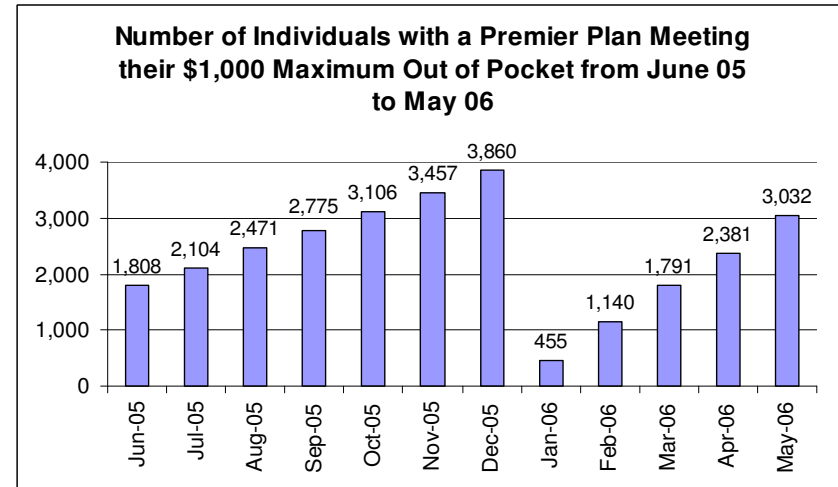


A total of 1.14% of Individuals with an Essential Plan met their Maximum Out of Pocket while 0.24% of Families met their Maximum Out of Pocket in 2005.

Enhanced



Premier



A total of 3.45% of Individuals with an Enhanced Plan met their Maximum Out of Pocket while 0.52% of Families met their Maximum Out of Pocket in 2005.

A total of 3.40% of Individuals with a Premier Plan met their Maximum Out of Pocket while 0.57% of Families met their Maximum Out of Pocket in 2005.

Premium (or Premium Equivalent)

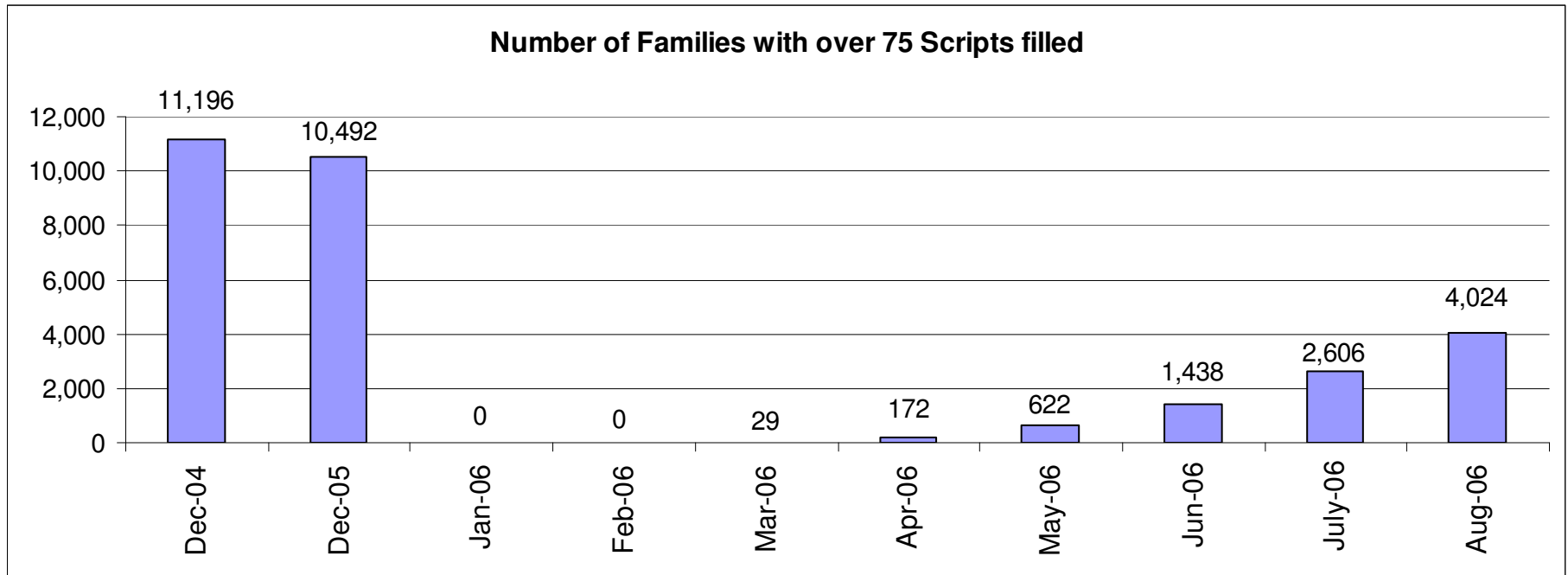
The following details the amount of premium (or premium equivalent) paid by the employee and employer for 2005, and monthly year-to-date for 2006.

Time Period	Employee Premium Amount	Employer Premium Amount	Total Premium Amount
2005	\$143,746,541.83	\$808,691,861.43	\$952,438,403.26
Jan-06	\$12,823,810.13	\$83,835,650.26	\$96,659,460.39
Feb-06	\$12,803,869.97	\$83,884,677.26	\$96,688,547.23
Mar-06	\$12,786,302.31	\$83,730,461.16	\$96,516,763.47
Apr-06	\$12,805,772.22	\$83,729,703.81	\$96,535,476.03
May-06	\$12,791,951.97	\$83,656,429.10	\$96,448,381.07
Jun-06	\$12,789,119.91	\$83,646,529.63	\$96,435,649.54
Jul-06	\$12,863,568.74	\$74,235,274.32	\$87,098,843.06
Aug-06	\$12,786,174.25	\$73,543,888.44	\$86,330,062.69

NOTE: Premium (or premium equivalent) is based on enrollment using published premium rates – it is NOT based on actual payments received!

Prescription Drug Utilization

The following details the number of families that have purchased 75 scripts or more during 2004, 2005, and monthly year-to-date for 2006. After a family has filled 75 prescriptions the co-payment was reduced to \$10 for 2nd tier and \$20 for 3rd tier.



The following details the type of prescription filled, the % that were generic, and the generic efficiency rate for the most recent rolling year. The generic percentage rate and generic efficiency rate increased in 2006. Based on Incurred claims.

	Generic	Brand Name, Generic Available	Brand Name	Other*	Total	Scripts Rx % Generic	Scripts Generic Efficiency Rx
Jun-05	158,326	15,496	140,111	7,308	321,241	49.29%	91.09%
Jul-05	164,415	15,862	146,914	7,662	334,853	49.10%	91.20%
Aug-05	173,316	16,547	157,815	8,030	355,708	48.72%	91.28%
Sep-05	144,256	13,160	127,010	6,930	291,356	49.51%	91.64%
Oct-05	181,813	16,041	161,292	8,400	367,546	49.47%	91.89%
Nov-05	183,536	15,556	158,925	8,504	366,521	50.08%	92.19%
Dec-05	151,250	12,564	120,084	9,687	293,585	51.52%	92.33%
Jan-06	194,200	14,777	155,986	7,354	372,317	52.16%	92.93%
Feb-06	186,952	13,160	148,171	7,322	355,605	52.57%	93.42%
Mar-06	214,650	14,519	168,483	7,930	405,582	52.92%	93.66%
Apr-06	187,824	12,874	147,369	6,720	354,787	52.94%	93.59%
May-06	206,358	13,744	159,923	8,135	388,160	53.16%	93.76%

*Includes: Over the Counter (usually includes items such as diabetic supplies, syringes, and test strips, etc.), Other/Unavailable or Missing (unable to tag to a specific group).

The following details the number of members and patients utilizing prescription benefits and the associated costs for the most recent rolling year. Based on Incurred claims.

	Members	Patients	Scripts	Scripts Per Member	Scripts Per Patient	Allow Amt Per Script*	Net Pay Per Script	Average out of pocket cost per member	Average out of pocket cost per patient
Jun-05	229,256	128,197	321,241	1.40	2.99	\$60.00	\$44.80	\$21.26	\$38.01
Jul-05	229,228	128,696	334,853	1.46	3.07	\$61.21	\$46.12	\$22.01	\$39.21
Aug-05	227,528	132,216	355,708	1.56	3.15	\$61.24	\$46.23	\$23.43	\$40.31
Sep-05	228,123	125,436	291,356	1.28	2.85	\$60.18	\$45.48	\$18.74	\$34.08
Oct-05	233,058	133,743	367,546	1.58	3.17	\$62.77	\$48.02	\$23.21	\$40.44
Nov-05	233,617	134,724	366,521	1.57	3.15	\$60.45	\$46.33	\$22.10	\$38.33
Dec-05	234,180	130,852	293,585	1.25	2.81	\$59.97	\$46.03	\$17.42	\$31.18
Jan-06	234,184	143,380	372,317	1.59	3.03	\$63.46	\$51.67	\$18.74	\$30.61
Feb-06	234,341	143,690	355,605	1.52	2.88	\$61.67	\$49.99	\$17.73	\$28.91
Mar-06	234,253	151,373	405,582	1.73	3.09	\$61.88	\$50.25	\$20.15	\$31.19
Apr-06	234,623	141,643	354,787	1.51	2.92	\$63.69	\$51.95	\$17.76	\$29.42
May-06	234,631	146,455	388,160	1.65	3.07	\$63.96	\$52.33	\$19.23	\$30.82

* "Allow Amt" is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.

The following top 25 drug analysis is based on Rx claims incurred from January 2006 to May 2006.

Product Name*	Total Rx Payments	Net Pay Rx as % of All Drugs	Number of Scripts	Net Pay Per Day Supply Rx	Number of members receiving an RX
ZOCOR	\$5,176,027	5.38%	36,254	\$3.86	12,395
NEXIUM	\$2,907,973	3.02%	18,593	\$4.37	6,036
SINGULAIR	\$2,142,172	2.23%	23,895	\$2.57	8,777
PREVACID	\$2,015,981	2.10%	12,869	\$4.46	4,268
EFFEXOR-XR	\$1,822,896	1.90%	14,931	\$3.64	4,259
ENBREL	\$1,729,245	1.80%	1,174	\$50.82	326
ZOLOFT	\$1,622,221	1.69%	20,211	\$2.37	6,392
WELLBUTRIN XL	\$1,511,423	1.57%	11,738	\$3.78	3,777
AVANDIA	\$1,449,420	1.51%	10,291	\$4.04	3,065
CRESTOR	\$1,371,142	1.43%	16,646	\$2.29	5,732
PLAVIX	\$1,340,279	1.39%	10,474	\$3.64	3,081
VYTORIN	\$1,298,621	1.35%	16,137	\$2.22	5,458
LEXAPRO	\$1,285,674	1.34%	19,367	\$1.99	6,270
PROTONIX	\$1,280,268	1.33%	12,656	\$2.91	4,351
TOPAMAX	\$1,247,905	1.30%	5,640	\$6.70	1,915
FEXOFENADINE HCL	\$1,127,044	1.17%	22,789	\$1.58	9,836
ACTOS	\$1,066,281	1.11%	7,393	\$4.08	2,324
LOTREL	\$926,873	0.96%	11,317	\$2.37	3,097
LIPITOR	\$890,819	0.93%	11,290	\$2.08	3,914
LEVAQUIN	\$883,631	0.92%	9,898	\$9.94	8,240
ZYRTEC	\$859,705	0.89%	24,193	\$1.05	11,455
ADVAIR DISKUS 250/50	\$834,150	0.87%	5,039	\$4.74	2,444
TRICOR	\$827,303	0.86%	9,084	\$2.58	2,798
CELEBREX	\$809,039	0.84%	6,720	\$3.31	2,615
AZITHROMYCIN	\$736,808	0.77%	27,696	\$5.47	23,497

*"Product Name" includes all strengths/formulations of a drug.

In summary the top 25 drugs represent over 19% of the total scripts and over 38% of total Rx expenditures.

Summary	Total Rx Payments	Number of Scripts	Days Supply Rx
Top Drugs	\$37,162,900	366,295	11,672,546
All Product Names	\$96,133,165	1,876,451	53,113,168
Top Drugs as Pct of All Drugs	38.66%	19.52%	21.98%

Utilization

The top 25 clinical conditions based on “incurred claims” from January 2006 to May 2006 are detailed below. (Note: Total Medical Payments represents only the payments made for the specified condition.) “Other” conditions not otherwise categorized*

Clinical Conditions	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members	Number of Patients	Net Pay Per Patient Medical
Signs/Symptoms/Oth Cond, NEC	\$17,075,221.26	\$3,082,710.29	\$13,887,224.27	2.91	8.25	330.42	12.99	36,282	\$470.63
Coronary Artery Disease	\$15,048,645.66	\$9,832,544.19	\$5,215,223.37	5.38	3.3	71.27	2.91	4,865	\$3,093.25
Respiratory Disord, NEC	\$14,540,649.42	\$3,957,369.63	\$10,509,517.10	3.2	2.64	126.97	16.98	14,186	\$1,025.00
Gastroint Disord, NEC	\$12,213,521.19	\$2,679,778.92	\$9,533,088.10	2.25	4.25	159.03	15.37	16,185	\$754.62
Prevent/Admin Hlth Encounters	\$12,031,720.67	\$57,986.98	\$11,970,642.89	0.04	2.75	568.39	0.66	57,912	\$207.76
Spinal/Back Disorders, NEC	\$11,126,302.83	\$2,735,420.23	\$8,376,815.66	1.48	2.65	620.57	5.01	17,177	\$647.74
Arthropathies/Joint Disord NEC	\$9,220,934.01	\$710,647.11	\$8,486,356.64	0.64	3.59	671.83	6.38	27,030	\$341.14
Osteoarthritis	\$8,094,863.01	\$4,716,568.89	\$3,375,014.92	2.73	3.5	182.19	0.29	8,967	\$902.74
Infections - ENT Ex Otitis Med	\$5,869,843.37	\$247,840.30	\$5,621,131.42	0.61	2.57	649.53	12.17	48,943	\$119.93
Pregnancy w Vaginal Delivery	\$5,798,716.59	\$5,763,014.64	\$35,701.95	6.45	2.3	0.7	0	1,055	\$5,496.41
Cancer - Breast	\$4,880,204.91	\$234,317.96	\$4,645,801.44	0.41	3.63	50.73	0.08	1,577	\$3,094.61
Cholecystitis/Cholelithiasis	\$4,426,987.45	\$1,281,905.83	\$3,145,081.62	1.6	3.35	7.54	1.37	1,150	\$3,849.55
Condition Rel to Tx - Med/Surg	\$4,134,334.56	\$3,131,316.72	\$1,003,017.84	2.25	5.13	6.32	1.75	1,050	\$3,937.46
Renal Function Failure	\$3,932,831.20	\$538,833.42	\$3,348,685.48	0.25	7	10.25	0.36	830	\$4,738.35
Chemotherapy Encounters	\$3,801,032.08	\$501,915.65	\$3,299,116.43	0.36	3.4	0.92	0	208	\$18,274.19
Hypertension, Essential	\$3,759,444.28	\$644,868.48	\$3,111,536.88	0.71	4.03	325.05	1.59	25,693	\$146.32
Infec/Inflam - Skin/Subcu Tiss	\$3,721,986.83	\$981,986.02	\$2,729,116.81	1.23	4.19	236.73	4.2	18,091	\$205.74

Clinical Conditions	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members	Number of Patients	Net Pay Per Patient Medical
Newborns, w/wo Complication	\$3,586,356.00	\$3,361,233.82	\$224,878.56	6.46	3.56	3.28	0.03	1,105	\$3,245.57
Gynecological Disord, NEC	\$3,577,523.42	\$562,518.36	\$3,014,907.21	0.79	2.29	79.46	1.31	8,950	\$399.72
Hernia/Reflux Esophagitis	\$3,508,213.12	\$868,939.51	\$2,638,296.67	0.83	4.28	53.28	1.41	5,589	\$627.70
ENT Disorders, NEC	\$3,492,829.88	\$48,301.57	\$3,443,985.82	0.15	2.47	645.5	2.2	18,984	\$183.99
Nutritional Disorders, NEC	\$3,453,377.84	\$567,589.96	\$2,878,593.05	0.8	3.79	210.56	1.74	23,927	\$144.33
Diabetes	\$3,254,408.20	\$705,840.75	\$2,540,758.39	0.8	4.05	194.79	1.37	12,491	\$260.54
Urinary Tract Calculus	\$3,085,221.68	\$510,776.64	\$2,574,445.04	1.12	2.3	13.83	4.12	1,341	\$2,300.69
Cardiac Arrhythmias	\$3,045,371.85	\$1,494,228.85	\$1,551,045.99	1.24	3	38.36	2.14	2,862	\$1,064.07

*Based on ICD-9 codes that could not be attributed to any other condition.

In summary the top 25 clinical conditions represent over 58% of total paid claims for all clinical conditions.

Summary	Total Medical Payments	Medical Payments Inpatient	Medical Payments Outpatient	Admissions Per 1000 Members	Average Length of Stay per Admission	Office Visits Per 1000 Members	ER Visits Per 1000 Members
Top Clinical Conditions	\$166,680,541	\$49,218,455	\$117,159,984	44.7	3.64	5,257.50	96.42
All Clinical Conditions	\$285,873,036	\$88,243,588	\$196,963,461	86.51	4.05	8,080.97	214.29
Top Clinical Conditions as Pct of All Clinical Conditions	58.31%	55.78%	59.48%	51.67%	89.93%	65.06%	44.99%

Claims Lag Analysis

The following claims lag information is based on medical claims (does not include Rx) incurred from January 2006 to May 2006.

Plans	Number of Medical Claims	Avg Days Lag Per Claim	% Claims Paid Within 30 Days	% Claims Paid Within 60 Days	% Claims Paid Within 90 Days
Commonwealth Enhanced	1,115,596	22.6	80.06%	90.68%	95.39%
Commonwealth Essential	24,362	27.4	74.20%	86.86%	93.05%
Commonwealth Premier	1,587,283	22.3	80.17%	91.04%	95.61%
~Missing*	9,055	33.3	62.60%	82.13%	90.77%
All Plans	2,736,296	22.5	80.01%	90.83%	95.48%

*Missing means the claims could not be tagged to a specific plan.

The following claims lag information is based on all claims (Medical and Rx) incurred and paid during the most recent rolling year.

Paid	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06
Incurred						
Sep-05	\$21,618,768	\$33,910,200	\$5,174,398	\$2,145,625	\$816,131	\$487,305
Oct-05	N/A	\$24,184,504	\$38,473,429	\$5,465,292	\$2,047,507	\$1,117,209
Nov-05	N/A	N/A	\$23,681,263	\$38,498,406	\$4,839,072	\$1,922,761
Dec-05	N/A	N/A	N/A	\$25,805,048	\$35,809,332	\$4,957,617
Jan-06	N/A	N/A	N/A	N/A	\$34,335,774	\$23,431,436
Feb-06	N/A	N/A	N/A	N/A	N/A	\$33,503,834
Mar-06	N/A	N/A	N/A	N/A	N/A	N/A
Apr-06	N/A	N/A	N/A	N/A	N/A	N/A
May-06	N/A	N/A	N/A	N/A	N/A	N/A
Jun-06	N/A	N/A	N/A	N/A	N/A	N/A
Jul-06	N/A	N/A	N/A	N/A	N/A	N/A
Aug-06	N/A	N/A	N/A	N/A	N/A	N/A

Paid	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06
Incurred						
Sep-05	\$551,737	\$260,051	\$84,179	\$440,322	\$14,769	\$9,212
Oct-05	\$430,247	\$462,971	\$134,128	\$94,904	\$63,393	\$52,279
Nov-05	\$908,620	\$575,637	\$229,619	\$177,545	\$23,706	\$26,143
Dec-05	\$2,461,612	\$758,959	\$484,789	\$281,052	\$137,741	\$93,195
Jan-06	\$7,952,052	\$3,096,509	\$2,162,211	\$1,476,000	\$987,769	\$290,868
Feb-06	\$27,144,347	\$5,802,402	\$2,507,251	\$1,664,501	\$1,005,393	\$504,269
Mar-06	\$42,751,720	\$28,170,351	\$6,467,371	\$3,433,255	\$1,926,786	\$819,310
Apr-06	N/A	\$34,493,824	\$28,818,772	\$4,394,032	\$2,645,560	\$940,951
May-06	N/A	N/A	\$41,366,106	\$29,072,632	\$7,069,557	\$3,771,359
Jun-06	N/A	N/A	N/A	\$43,026,694	\$30,749,516	\$5,714,004
Jul-06	N/A	N/A	N/A	N/A	\$38,381,466	\$32,900,170
Aug-06	N/A	N/A	N/A	N/A	N/A	\$45,213,813

Claims Distribution based on Age/Gender

The following is based on claims incurred from January 2006 to May 2006.

	Female			Male		
Age Group Medstat	Members Avg	Net Pay Med and Rx	Net Pay Per Member	Members Avg	Net Pay Med and Rx	Net Pay Per Member
Ages < 1	154	\$1,626,120.08	\$10,531.87	160	\$1,746,575.91	\$10,916.10
Ages 1-4	4,184	\$3,291,252.37	\$786.63	4,313	\$5,190,403.94	\$1,203.32
Ages 5-9	5,659	\$2,373,784.31	\$419.46	5,953	\$2,983,145.11	\$501.12
Ages 10-14	6,422	\$3,446,650.22	\$536.66	6,752	\$2,807,052.40	\$415.71
Ages 15-17	4,492	\$2,817,534.59	\$627.23	4,687	\$3,140,490.36	\$669.99
Ages 18-19	3,138	\$2,301,495.15	\$733.47	3,341	\$1,934,668.71	\$579.00
Ages 20-24	7,038	\$5,591,072.62	\$794.37	6,269	\$3,148,930.48	\$502.30
Ages 25-29	7,895	\$10,077,170.60	\$1,276.43	3,834	\$2,312,169.46	\$603.10
Ages 30-34	8,709	\$12,062,404.86	\$1,384.99	4,704	\$3,669,670.39	\$780.05
Ages 35-39	10,540	\$14,815,932.98	\$1,405.69	5,494	\$5,206,579.35	\$947.65
Ages 40-44	11,677	\$19,725,338.18	\$1,689.22	6,264	\$7,937,309.30	\$1,267.17
Ages 45-49	14,513	\$26,081,999.08	\$1,797.12	7,728	\$12,236,313.23	\$1,583.41
Ages 50-54	17,645	\$36,235,792.58	\$2,053.60	10,312	\$20,067,383.73	\$1,946.10
Ages 55-59	19,486	\$46,098,741.62	\$2,365.71	12,535	\$29,509,969.60	\$2,354.21
Ages 60-64	14,607	\$42,489,929.85	\$2,908.87	9,764	\$30,290,435.97	\$3,102.38
Ages 65-74	3,563	\$11,100,946.59	\$3,115.97	2,600	\$9,688,937.06	\$3,727.09

Allowed Amount Distribution

The following shows the distribution of members with allowed amount of charges within specified ranges from January 2005 to May 2006. The distribution is based on incurred claims.

Allowed Amount	2005	YTD - 2006
less than 0.00	88	1
\$0.00 - \$499.99	50,002	79,110
\$500.00 - \$999.99	29,258	38,575
\$1,000.00 - \$1,999.99	35,356	35,968
\$2,000.00 - \$4,999.99	47,438	30,492
\$5,000.00 - \$9,999.99	26,204	10,892
\$10,000.00 - \$14,999.99	9,123	3,091
\$15,000.00 - \$19,999.99	4,051	1,278
\$20,000.00 - \$29,999.99	3,546	1,166
\$30,000.00 - \$49,999.99	2,310	848
\$50,000.00 - \$74,999.99	929	321
\$75,000.00 - \$99,999.99	388	130
\$100,000.00 - \$149,999.99	302	97
\$150,000.00 - \$199,999.99	112	28
\$200,000.00 - \$249,999.99	60	15
over \$249,999.99	74	19
Total	209,241	202,031

Summary of Enrollment and Claims

The following provides a summary of members, incurred medical claims, and incurred Rx claims for the most recent rolling year.

Time Period	Members	Net Pay Med and Rx	Net Pay Med	Net Pay Rx	Claims Paid	Claims Paid Med	Scripts Rx
Jun-05	229,256	\$71,623,071	\$57,232,158	\$14,390,913	586,973	260,760	321,241
Jul-05	229,228	\$68,582,055	\$53,140,200	\$15,441,856	587,007	247,146	334,853
Aug-05	227,528	\$71,649,205	\$55,203,841	\$16,445,364	629,027	268,606	355,708
Sep-05	228,123	\$65,512,697	\$52,262,264	\$13,250,434	544,715	248,663	291,356
Oct-05	233,058	\$72,525,863	\$54,875,110	\$17,650,753	634,438	261,397	367,546
Nov-05	233,617	\$70,882,772	\$53,900,476	\$16,982,296	634,707	262,784	366,521
Dec-05	234,180	\$70,789,346	\$57,275,123	\$13,514,223	563,672	254,260	293,585
Jan-06	234,184	\$73,732,619	\$54,495,248	\$19,237,371	633,391	255,059	372,317
Feb-06	234,341	\$72,131,997	\$54,356,771	\$17,775,227	608,395	247,194	355,605
Mar-06	234,253	\$83,568,792	\$63,190,221	\$20,378,571	696,428	284,426	405,582
Apr-06	234,623	\$71,293,139	\$52,863,310	\$18,429,829	598,060	237,234	354,787
May-06	234,631	\$81,279,654	\$60,967,486	\$20,312,168	654,808	259,931	388,160

NOTE: Includes run out data from all Carriers

The following illustrates the change in incurred claims amounts (includes medical and Rx) by rolling year.

Incurred Rolling Years	Members	Total Medical and Rx Claims	Total Medical Claims	Total RX Claims
Jun 2004 - May 2005	228,228	\$782,492,635	\$605,560,490	\$176,999,927
Jun 2005 - May 2006	232,283	\$872,819,744	\$669,762,207	\$203,811,827
% Change (Roll Yrs)	1.80%	11.50%	10.60%	15.10%